

A man and a woman are standing in a server room. The man, on the left, has a beard and is wearing a grey sweater over a white collared shirt. The woman, on the right, is wearing a white button-down shirt. Both are wearing blue lanyards. They are looking at a laptop held by the woman. In the background, there are rows of server racks with some lights visible. The overall lighting is dim, typical of a server room.

**Hso**

the results company

# ***IT Carve Out***

IT is the decisive factor for a  
successful merger or acquisition

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01

# *IT is the decisive factor for a successful merger or acquisition*

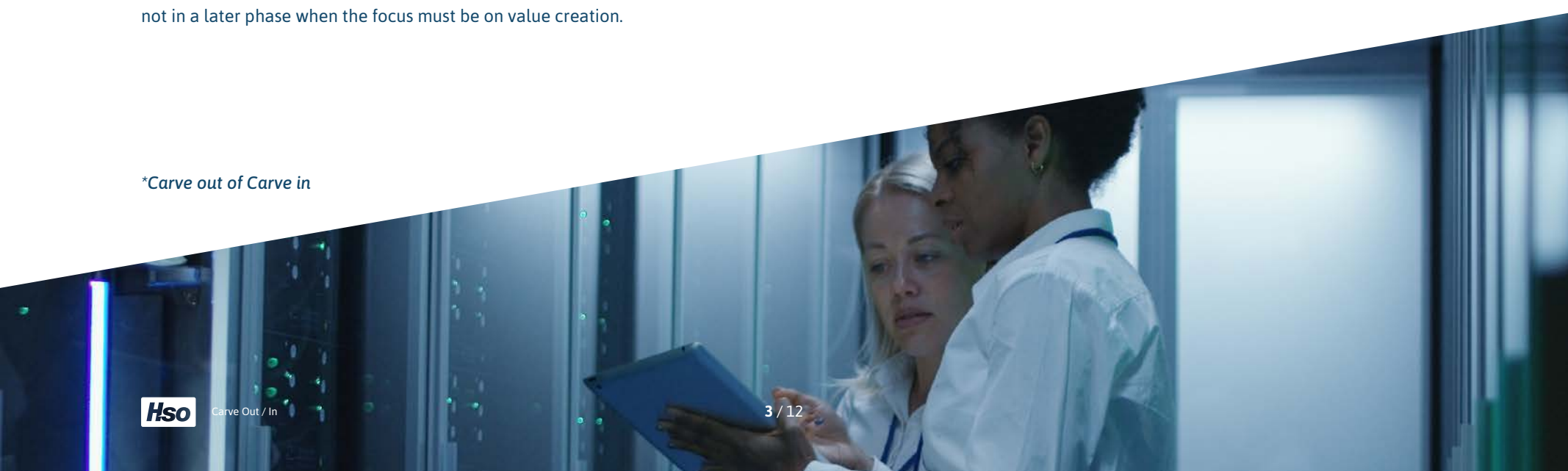
***In mergers and acquisitions of businesses, it is necessary to separate all operational activities. This can involve legal, business, process and organization-related activities. Disconnecting or connecting IT systems within the specified period (TSA) is the critical success factor of a carve out or a carve in.***

For a merger or acquisition to be profitable, it is important that it is executed correctly. The complexity of IT aspects is often underestimated, as is the impact of wrong decisions early in the process. Be aware of the importance of IT from the start of the process. An IT landscape that performs well, meets all security requirements and is cost-optimized must be created during the transition, and not in a later phase when the focus must be on value creation.

## **How HSO can help**

As a leading IT business transformation partner, HSO is experienced in the field of advising on and implementing IT Carve outs\*. From data center and workplace migrations to migrating application and data landscapes. HSO can also play a role in increasing insight by linking, structuring and visualizing different (potential) data sources in dashboards, so that you quickly get an accurate picture of the financial health of the various business units.

\*Carve out of Carve in



## 02 Main IT challenges during a Carve out\*

The complexity of IT aspects during a Carve out\* is often underestimated. Wrong decisions at the start of the process can have an impact later in the process. Below is a top 8 of the most important IT challenges to be taken into account.

Overlapping applications and infrastructure

Migrating old systems (lift & shift) versus transforming

Speed and pressure due to TSA date

Cost savings to be realized

Responsibilities, implementation and alignment of various suppliers

Impact of changing business model on IT

Security and compliance risks

Contractual agreements

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03

## How can we help you?

**A carve out\* focuses on quickly getting to know the acquired company and assessing its technological status and associated risks in order to arrive at a clear, structured exposition of the transformation scenarios.**

### **Does your need consist of obtaining:**

- Insight into the business and IT objectives
- An inventory of IT operational capabilities, technology quality and status, organizational and process maturity, and operational costs
- A roadmap for IT initiatives with a focus on impact, costs and risks

### **The services of HSO are aimed at:**

- Identifying IT-related risks
- The readiness for transition to the cloud
- The possibilities for synergy
- The execution of the carve out/ carve in
- Operational management of the IT landscape

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04

# Migrating old systems versus innovating: these are the options

## Rehost

Rehosting is typically performed with an infrastructure as a service (IaaS) offering and is often referred to as a "lift and shift". With this approach, we move the existing applications out of the data center and from the hardware to someone else's data center and hardware.

## Refactor

With refactoring, we prepare the applications for the cloud. This is a subsequent phase of migration and modernization. In this phase, the emphasis is on making changes to the application rather than to the infrastructure.

## Rearchitect

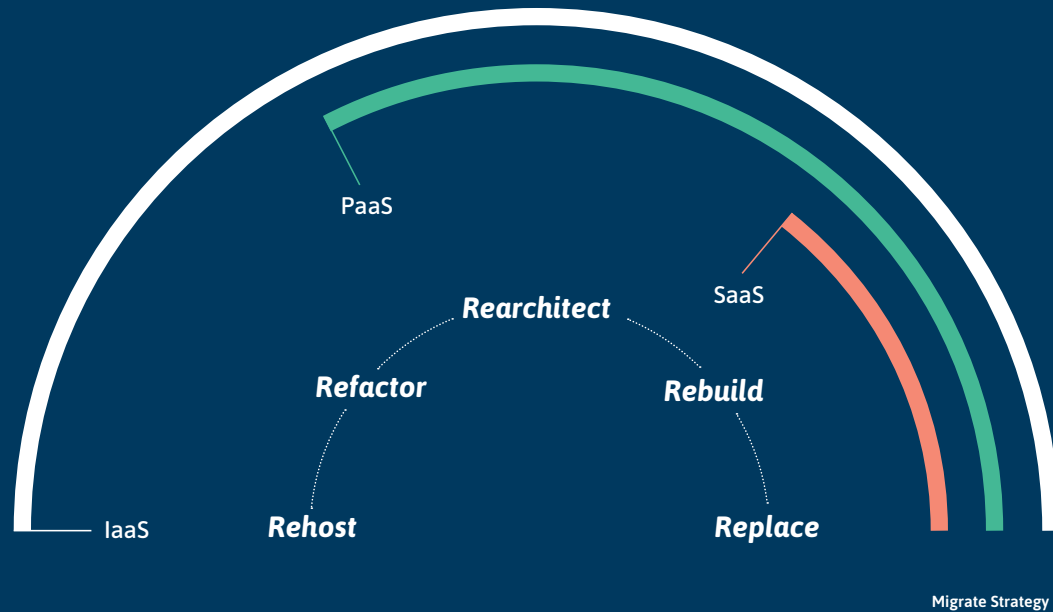
With rearchitecting, we breathe new life into your legacy applications. In this migration and modernization phase, we try to get the most out of your historic investments.

## Rebuild

With rebuild you choose to build new legacy applications using cloud-native technologies or the low-code Power Platform.

## Replace

With replace you choose to replace existing applications for SaaS alternatives for faster development and innovation possibilities such as AI.



## 05 Finding a balance between speed, costs and innovation

### TSA date

The hard deadline for converting all business and IT processes to the new organization influences choices. The goal is to quickly unbundle and secure the IT landscape, while the business continues to operate as normal. A partner that meets its commitments and has experience with merger processes is essential in this regard.

### Costs

A Carve out\* should lead to greater efficiency and the prevention of double costs. A cloud solution offers insight into monthly costs, but also the flexibility to scale up or down as needed to respond to peak or seasonal moments.

### Innovation

Future profitability requires an agile organization that can respond to rapidly changing markets. The cloud offers space for technological developments and insights, and enables growth.

A new cloud-based solution for IaaS, PaaS or SaaS is more sustainable than duplicating existing solutions that are integrated into the buyer's environment. By opting for a transition to the cloud, you can respond more quickly to market developments, you have a clear picture of the monthly costs and you can scale

this up and down as needed. You also get a platform on which technological innovations such as AI and IoT are automatically available. The same applies to security, in which context you benefit from the latest security technology. Such an investment also often increases the business value.

HSO is an experienced business transformation partner in the field of advice and implementation of IT Carve outs\*. From data-center and workplace migrations to migrating application and data landscapes. In addition, HSO can play a role in increasing insight by linking, structuring and visualizing different (potential) data sources in dashboards, so that you quickly get an accurate picture of the financial health of the various business units.

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# HSO Carve out\* approach

## The 5 steps of the Carve out\* approach

*In a Carve out\* there is a great deal of involvement from various stakeholders, from IT to Finance. In addition, the short time frame in which the Carve out\* has to take place has a big impact. With the HSO Carve out\* approach, we ensure that expectations and needs are clear, the tight schedule is monitored and there is insight into the impact and risks.*

1

### Define the optimum strategy

Do you opt for a lift & shift approach in which existing workloads and legacy are transferred to the new environment or do you opt for a digital transformation to the cloud, which makes the organization future-ready, innovation is possible and you add value to the organization.

2

### Plan and make agreements

Because of the TSAs, things will have to move quickly. Make sure there is a tight schedule, make clear agreements and divide the tasks and activities among the people involved.

4

### Transform or migrate the workloads

The actions required to migrate the workloads fall into three iterations per workload: assessment, implementation, and deployment.

3

### Start with the cloud foundation

Only once the foundation is solid can the next step be taken; the network, IAM, policy, management and monitoring must be available to help streamline the application migration process.

5

### Governance, maintenance and optimization

With a cloud migration, we recommend that you periodically evaluate, and optimize where appropriate. HSO offers various Cloud Operations services for this.

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## Carve out\* Assessment

Get started with an HSO Carve out\* assessment. During this assessment you will gain a clear understanding of the current infrastructure, network and hardware. Other aspects covered by the assessment are the digital workplace and the security architecture. The scope and activities are summarized in a set of recommendations, so that you can make an informed decision about how you can support the new organization with the right cloud strategy and migration.



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### What you can expect

Through various workshops, we quickly achieve insight in a relatively short period of time.

- **Strategic IT workshop:** Understanding your strategy, operation models, organization, and markets. And how IT supports all of this.
- **Assessment of current IT Estate:** How does the current IT landscape and security architecture look like.
- **Desired future state of IT:** Designing a future IT environment that meets the desired organizational strategy and IT objectives
- **Defining a roadmap:** Define the prioritization, route and program to realize at the future desired state of IT in the cloud.

- **Migration Analysis:** Desired future state of IT: Analyzing cloud migration activities to be executed for the first milestone of the cloud roadmap.
- **Presentation of results, recommendations and next steps:** The result is an advice that includes a solution overview, roadmap and projected investments.

Based on these recommendations, you can make an informed decision about the further course of the Carve Out\*.

### Duration

From 10 days, depending on the complexity

### Investment

From 15,000 euros

08

## Reference: Heras

**Paul Vos,**  
Director cloud transformation HSO

*“Instead of a traditional 'lift & shift' approach, in which you take the existing applications with you and migrate to a cloud environment, we saw opportunities to transform different applications and replace them with better solutions.”*



**When Heras became independent in 2019, it became clear that the carve out of the IT systems and infrastructure would be a challenge. The entire IT landscape, built up over 25 years, had to be dismantled, migrated and transformed in a short time, including business-critical applications, such as SAP and NAV. Heras and HSO took on this challenge together.**

[Read the full story of Heras.](#)



**Diana Stan,**  
Digital transformation manager Heras:

*“We saw this carve out as an opportunity to transform and modernize our landscape and application platform. Together with HSO we designed a new, cloud-based architecture, including the modern workplace. In this carve out we identified four important elements:*

- 1. Replace the network, hardware and infrastructure.*
- 2. Migrate everyone to Office 365.*
- 3. Move all our data, files from our former file shares to Teams, in the cloud.*
- 4. Move all business applications to the cloud.”*



*After reading this white paper, hopefully you will have a clear picture of the importance of a quick and thoughtful IT Carve out or Carve in, and you will have confidence in the process. It is of course possible that you still have a question, or want to know something for sure. If so, please do not hesitate to contact us. It will be our pleasure to ensure that your IT Carve out or Carve in is a pleasant journey.*

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HSO has been active as a Microsoft Solution Integrator since 1989 and has grown into a successful ICT company with more than 1400 employees and offices in Europe, North America and Asia. HSO supports local and international companies in retail, wholesale, industry and (technical) services to make a difference with digital technology. The foundation for this is Microsoft Dynamics 365: a complete platform of CRM, ERP, Office 365 and BI software. HSO takes care of the implementation, optimization and 24/7 management of these cloud solutions. HSO belongs to the Microsoft Dynamics Inner Circle and is proud to have been awarded the title 'Microsoft's most customer-oriented partner'. More information about HSO can be found at <http://www.hso.com/nl> or follow HSO on Twitter via @HSO\_NL.



Carve Out / In